

Update 2000

After more than 60 years, Social Security is still a flexible program. Through the years, Congress has modified the original law to reflect the economic circumstances in today's society. Yearly updates show such changes as annual increases in the cost of living or workers' average wages.

Whether you're still working or you're already a Social Security beneficiary, these changes are important to you.

Other publications available from Social Security explain the provisions that do not change from one year to the next. Those publications are revised when it is necessary to explain major new legislation that affects the various Social Security programs. This factsheet provides up-to-date information for 2000 about the "built-in" changes that take place most years.

INFORMATION FOR PEOPLE WHO ARE WORKING

Social Security and Medicare Taxes

	1999	2000
Employee/employer (each)	7.65% up to a maximum of \$72,600	7.65% up to a maximum of \$76,200
Self-employed	15.3%* up to a maximum of \$72,600	15.3%* up to a maximum of \$76,200
*Can be offset by income tax provisions		

Extra Medicare Taxes—If you earn more than \$76,200, you continue to pay the Medicare portion of those taxes, as indicated below.

Employee/employer (each)	1.45% on all earnings above \$72,600	1.45% on all earnings above \$76,200
Self-employed	2.9% on all income above \$72,600	2.9% on all income above \$76,200

Work Credits—You need a certain number of credits to be eligible for Social Security benefits. The number of credits you need depends on your age and the type of benefit you're claiming. You can earn a maximum of four credits each year. Most people need 40 credits to qualify for retirement benefits.

1999	2000
\$740 earns one credit	\$780 earns one credit

INFORMATION FOR SOCIAL SECURITY BENEFICIARIES

Earnings Limits

Beneficiaries younger than full retirement age receive full benefits as long as their earnings are under the limits indicated below. Full retirement age is currently age 65, but will increase gradually for people born in 1938 or later.

	1999	2000
At full retirement age (currently age 65) or older (Law effective Jan. 1, 2000)	-----	No limit on earnings
Under full retirement age	\$9,600 For every \$2 over the limit, \$1 is withheld from benefits	\$10,080 For every \$2 over the limit, \$1 is withheld from benefits
Year you reach full retirement age (Law effective Jan. 1, 2000)	-----	\$17,000 For every \$3 over the limit, \$1 is withheld from benefits until the month you reach full retirement age
If you receive disability benefits	\$700 per month	\$700 per month

INFORMATION FOR SSI RECIPIENTS

Monthly Federal SSI Payment

	1999	2000
Individual	\$500	\$512
Couple	\$751	\$769

Monthly Income Limits

	1999	2000
Individual whose income is only from wages	\$1,085	\$1,109
Individual whose income is not from wages	\$ 520	\$ 532
Couple whose income is only from wages	\$1,587	\$1,623
Couple whose income is not from wages	\$ 771	\$ 789

Note: Some states add money to the federal SSI payment. If you live in one of these states, you may qualify for a higher payment, and your income can be greater than the amounts indicated and you still may qualify.

INFORMATION FOR PEOPLE ON MEDICARE

Hospital Insurance (Part A)

	1999 Deductible	2000 Deductible
For first 60 days in a hospital, patient pays	\$768	\$776
For 61st through 90th days in a hospital, patient pays	\$192 per day	\$194 per day
Beyond 90 days in a hospital, patient pays (for up to 60 more days)	\$384 per day	\$388 per day
For first 20 days in a skilled nursing facility, patient pays	\$0	\$0
For 21st through 100th days in a skilled nursing facility, patient pays	\$96 per day	\$97 per day

Medical Insurance (Part B)

	1999	2000
Premium	\$45.50 per month	\$45.50 per month (no change)
Deductible	\$100 per year	\$100 per year (no change)
After the patient has paid the deductible, Part B pays for 80% of covered services.		

Note: If you get Medicare and have little income or resources, your state may pay your Medicare premiums and, in some cases, your deductibles and other out-of-pocket medical expenses. Contact your local medical assistance (Medicaid) agency, social services or welfare office to find out if they can help you.

Call Social Security
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